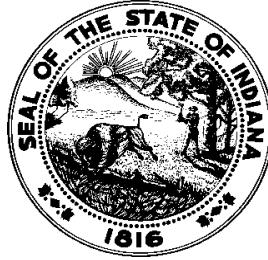


LOCAL GOVERNMENT TAX CONTROL BOARD



RECOMMENDATIONS
TO THE
DEPARTMENT OF LOCAL GOVERNMENT FINANCE
FROM
MARCH 24, 2005

Call To Order

James Riehle called the March 24th 2005 Local Government Tax Control Board meeting To Order at 9:00 am. Board members present were James Riehle, Richard Eckerle, Jeff Arthur (representative from the State Board of Accounts) and Bob Harris.

Recommendation

Rich Eckerle motioned to approve the minutes from the February 24th 2005 Local Government Tax Control Board meeting. Bob Harris seconded and the motion carried 4-0.

Town of Fortville Redevelopment Commission, Hancock County Tax Increment Revenue Bonds

The unit is requesting approval to obtain a loan in the amount of \$750,000 for a term of fifteen (15) years for the purpose of refunding certain outstanding bonds, acquisition of water and sewer infrastructure, the extension of road, water, sewer, drainage and storm water infrastructure improvements in the Fortville Industrial Park Economic Development Area. The unit does not anticipate a tax rate being established - they are using Tax Increment Funds (TIF) to repay the debt. The estimated tax rate, if TIF funds are not sufficient, is .0470 based on an assessed value of \$116,686,694 and an annual levy of \$54,840. This is an uncontrolled project because total project costs are less than \$2,000,000. The Common Construction Wage is not applicable because construction cost are less than \$150,000.

Taxpayer Objections:

Public hearings were held February 3rd and 17th, 2005. A resolution was adopted February 3rd, 2005. The date of publication for the Notice of Determination was February 5th and 12th, 2005. The remonstrance period is not applicable since this is an uncontrolled project.

Attendance

The following people attended the hearing: Mike Ferris (TCP), Buzz Krohn (Financial Advisor with O.W. Krohn & Associates), Randy Sorrell (Town Attorney), Lisa Lee (Bond Counsel with Ice Miller), Susan Reed (Bond Counsel with Ice Miller), and Joe Renner (Town Manager).

Discussion

They want to redo bonds for their TIF area. The TIF was established in 2002 and since then they have made several infrastructural improvements. They meant to start the TIF area out slowly with development, but the area has escalated and growing at an unexpected rate and they need to keep up. Hancock County is growing and they need to keep a balance between residential growth and commercial development. The Park has been completely developed or permitted for the complete 77 acres. They have completed the drainage system, utilities and sewer projects. There are only two lots remaining to sell – and they want to bring those two lots into the TIF area. Within this 77 acres is a 1.3-acre power pond that pumps the overflow directly into the drainage system.

Questions by the Board:

James: It sounds like you have had a lot of success.

Answer: We feel good about it.

Mr. Krohn: We are requesting a property tax backup in order to receive a better credit rating.

James: Is the Town Council supporting you?

Answer: Yes, they agree with our plans to keep a balance between residential and commercial growth. It will also mean more employment opportunities.

James: Are the citizens supporting you as well?

Answer: We have had no opposition – a lot of questions, but we have done a good job in answering those questions. No one has brought up any objections at any of the public hearings.

Rich: Are you considering any abatements?

Answer: Not in the TIF area. We want buildings that will retain their value for the next fifty years.

Bob: Is everyone committed to using TIF revenue?

Answer: Yes, it has already been pledged.

Rich: Does the TIF area include any areas outside the redevelopment area?

Answer: We are trying to get Camus into the TIF area. The Town could just do it, but they are trying to work with them to get them to agree instead of forcing it on them.

Bob: The proposed construction projects are less than \$150,000 – which parts are the construction projects and the costs associated with each one?

Answer: On page two of the Hearing Information Sheet there is a list of the different projects. The first three in that list is actual construction – in total it comes out to be about \$141,000.

Bob: On page 4 you do not have any loose equipment listed – are you not purchasing any?

Answer: No loose equipment is involved with this issue.

Recommendation

Richard Eckerle motioned to recommend approval of tax increment revenue bonds in the amount of \$750,000. Bob Harris seconded and the motion carried 4-0.

Buck Creek Township, Hancock County Emergency Fire Loan

The unit is requesting approval to obtain an emergency fire loan in the amount of \$175,000 for a term of one (1) year for the purpose of funding firefighters wages. The estimated tax rate is

.0051 based on an assessed value of \$338,745,880 and an annual levy of \$171,298. This is an uncontrolled project. The Common Construction Wage is not applicable.

Per the following emergency loan calculation, the unit shows a need of:

January 1 st Cash Balance	\$ 75,428
Plus: 2005 Certified Tax Levy	\$193,763
Plus: 2005 Estimated Misc. Revenues	\$429,591
Total Funds Available	\$698,782
Less: Encumbered Appropriations	
Less: Estimated Expenses	\$964,591
Funds Remaining (Negative amount shows a shortfall)	\$(265,809)

Taxpayer Objections:

The Date of Publication for a public hearing was December 30th, 2004. A public hearing was held on January 12th, 2005. The date of publication for the Notice of Determination was January 13th, 2005. The Auditor Certified No Remonstrance on March 4th, 2005.

Attendance

The following people attended the hearing: Melvin Branson (Township Trustee), David Sutherlin (Fire Chief), and Rudolph A. Nylund (Assistant Fire Chief).

Discussion

There are here to request approval for a \$175,000 loan. This is their fourth year to apply for an emergency loan. They are a growing community that is locked in by their maximum levy. They need to hire full-time firefighters because volunteers are hard to find anymore. They currently have nine full-time firefighters and need three more. When they were reviewing their budget, they found an error. They asked for a budget of \$964,591 but were only approved for \$882,741. (There followed a discussion between Bob and the unit on how the budget is calculated). If the DLGF would approve the loan, they could at least meet the adopted budget. He can live with the adopted budget of \$882,000, but would not be able to hire more firefighters. They buy all of their equipment from the Cumulative Fire Fund. The only expenses paid from the Fire Fund are for operating and staffing purposes – there is no slush in the budget.

Questions by the Board:

Rich: It states here in your information sheet that the expected interest rate is 5.54% - can't you do better than that if this loan is approved?

Answer: We will do some comparative shopping. We usually just deal with one bank, one we have used for many years.

James: Do you staff full time?

Answer: We have nine full-time and staff the station six days a week for twenty hours a day. We supplement that staff with twenty-eight volunteers.

Bob: What do you use your Rainy Day Fund for?

Answer: We haven't used it yet. We could spend it, if we need to.

Bob: Was there any taxpayers that opposed?

Answer: No, no one showed up at the meeting.

Recommendation

Bob Harris motioned to recommend approval of an emergency fire loan in the amount of \$175,000. Rich Eckerle seconded and the motion carried 4-0.

Knightstown Public Library, Henry County Lease

The unit is requesting approval to enter into a lease with the Knightstown Public Library Building Corporation in the amount of \$1,125,000 with annual lease rental payments in the amount of \$92,000 for a term of twenty-two (22) years for the purpose of funding renovations to the existing building and the construction of a 7,000 square foot addition. The estimated tax rate is .1637 based on an assessed value of \$56,198,000 and an annual levy of \$92,000. This is an uncontrolled project because the total cost does not exceed \$2,000,000. The Common Construction Wage is not applicable - the Davis-Bacon Act applies because of the application for federal grant funds.

Taxpayer Objections:

The date of publication for a public hearing was February 24th, 2005. A public hearing was held March 8th, 2005. The remonstrance period is not applicable since this is an uncontrolled project.

Attendance

The following people attended the hearing: Jane Herndon (Bond Counsel with Ice Miller), Frank Craig (Taxpayer), Kevin Knott (Taxpayer), Bill Garris (Taxpayer), Joe B. Thompson (Taxpayer), Sondra Garris (Taxpayer), Miriam Thompson (Taxpayer), Barbara Hulse (Taxpayer), E. Edward Dunsmore (Taxpayer), Lois Brooks (Library Board President), Judy Coomer (Library Director), Dan Kramer (Financial Advisor), Jeff Eakins (Lead Media), and Garry Mohler (Architect), Tom Saunders (State Representative).

Discussion

They would like to tell us about the need they have. The library building was built in 1912 and has had no major renovations. They need to upgrade the Heating/AC system to improve the conditions inside the building. They have only three computers for public use. They only have one restroom, and that is in the basement of the building.

They have welcomed and asked for community input and commissioned a feasibility study to determine the most pressing needs to address. They have held more than eight public meetings, two of them in conjunction with Town meetings. The Town Council is in full support of the project.

Questions by the Board:

James: Do you need to acquire more land?

Answer: No, they purchased a lot behind the library in 2002 for purposes of expanding.

Rich: The construction per square foot costs reported in the hearing information sheet – is that for the construction portion only?

Answer: It is the construction cost plus a contingency amount.

Bob: What will the exterior look like?

Answer: We had to have a 106 review because it is listed on the National Register of Historical Buildings. It will be a brick building and will blend into the existing building.

Bob: The architectural fee seems high at 7%.

Answer: We haven't actually signed the contract yet, so that rate is probably a little high. The architect has not made it to the meeting yet, so he cannot comment on it himself.

Bob: Have you had any taxpayer objections?

Answer: There have been some who have objected – not against the project itself, but to the increase in taxes.

Bob: Will you need to hire more staff?

Answer: No, the new building has been designed to function with the same number of staff we have now.

Bob: Will your operating budget support the increased expenses in operating a larger building?

Answer: The expenses should not increase because we are putting in new windows and a heating/AC system. The savings in energy costs from these two measures should offset any increase in operating expenses.

Bob: You say this building has not been renovated since 1912?

Answer: A restroom was added and a drop ceiling installed - that has been the only things done to the building since it was constructed.

Comments from the Public:

State Representative Tom Saunders: Last summer I spent the day on the Town Square when the citizens were upset about the increase in the tax rate resulting from a school construction project. I do not know how much more the citizens can take. They are paying for a new Justice Center, and a new County Library, and a school project. We need to look at new ways to handle business. I have received several calls and felt the need to come here today to represent my

constituents. I do not want to kill this project. Hancock County has opened a branch library in a high school. Maybe this is something that other libraries can look into doing. Knightstown has a nice old building, but there are concerns with my constituents in being able to keep their homes. Tax rates continue to rise and Knightstown is not growing.

(There followed a discussion between the Representative and Mr. Eckerle about legislative actions that need to be addressed and changed).

Mr. Kramer (Financial Advisor): Just to clarify an issue the Mr. Saunders spoke about. The citizens of Knightstown are not paying any taxes for the new County Library building. They are not in the County Library's District.

Kevin Knott (Taxpayer): I was in favor of the project until just a few days ago. Now I am in opposition because the increase in taxes that was first quoted to us continues to increase. We are continuously being given different amounts our taxes will increase. At first we were told it would be about \$100, now we are being told around \$244. The tax base cannot afford another significant tax increase at this time. (See Exhibit 1 for complete letter).

Bob: Was the miscommunication you say occurred presented at any public meetings?

Answer: They gave figures they thought were correct at that time.

Kr. Kramer responded: The original figures were based on if you had mortgage and homestead deductions.

Rich: Do you have a lot of industry in Henry County?

Answer: No, and we have lost two major businesses.

Bob: Is there any equipment involved in this project?

Answer: No.

James: Do you have only two employees?

Answer: We have a total of four that work alternative hours, plus one janitor that works two to four hours per week.

Frank Craig (Taxpayer): I cannot afford the increase in taxes at this time. I would like the library board to consider remodeling instead of expanding at this time. (See Exhibit 2 for complete letter).

Judy Coomer (Library Director): I have attended the Federation of Libraries and spoke with Mr. Gorman. The topic of discussion was the difference between school libraries and public libraries, and the purpose of each. It would not be feasible for us to open a branch inside a school.

Joe Thompson (Taxpayer): I am concerned about the increase in taxes. First it was due to reassessment, and then it was because of the new school project. At 82 years of age, I have to work part-time in order to pay my bills. With failing health, I do not know how long I can continue to do this. (See Exhibit 3 for complete letter).

Sandra Garrison (Taxpayer): I have lived in this Town for over sixty years. Last year my taxes increased to over \$2,000. It takes five months of my retirement check to pay the current taxes. If this library loan is approved, it will take six months. I cannot afford another increase in taxes.

Rich: Did you also oppose the school building project?

Answer: Ms. Garrison responded "Yes".

Barbara Hulge (Taxpayer): I have lived in this Town since 1966. I am requesting that you deny the current request before you today. The tax impact is too extensive for the citizens. Knightstown is a Town of many retired people and we have a lot of concerns.

Bob then instructed the taxpayers to give any written comments to Judy and then explained how this Board works and the rest of the procedures that will follow.

Recommendation

James Riehle motioned to recommend approval of a lease with maximum annual lease payments in the amount of \$92,000 for a term not to exceed twenty-two (22) years. Rich Eckerle seconded and the motion carried 3-1. Jeff Arthur opposed the motion.

Hancock County Unit, Hancock County General Obligation Bonds

The unit is requesting approval to issue bonds in the amount of \$5,370,000 for a term of nine (9) years for the purpose of renovations and improvements to the existing Hancock County Courthouse, along with the acquisition, site clearance and improvements for a parking lot. The estimated tax rate is .0252 based on an assessed value of \$3,105,718,808 and an annual levy of \$782,800. This is a controlled project. The Common Construction Wage is applicable and the hearing was held February 28th, 2005 and passed with a 5-0 vote.

Taxpayer Objections:

The Date of Publication for a Public Hearing was January 27th, 2005. A public hearing was held and an Ordinance adopted on February 9th, 2005. The Notice of Determination was published February 11th and 16th, 2005. The Auditor Certified No Remonstrance on March 24th, 2005.

Attendance

The following people attended the hearing: Ray Richardson (County Attorney), Armin Apple (County Commissioner), Buzz Krohn (Financial Advisor with O.W. Krohn & Associates), Lisa Lee (Bond Counsel with Ice Miller), Rhonda Cook (Bond Counsel with Ice Miller), and Susan Reed (Bond Counsel with Ice Miller).

Discussion

They need to renovate and restore their 107-year old courthouse. They have a \$5.3million project planned. This issue has been talked about for the last fifteen years. It is time to follow through and complete those plans. They have completed Phase 1, which was an annexation that was completed in 2002. Phase 2 is to restore the domed ceiling inside the Courthouse.

Mr. Krohn: The financial plan is pretty straightforward. They are within their two percent debt limitation. The term is for a little less than ten years. At a 2½% tax rate, the tax impact will decrease with an increase in the assessed value.

Ms. Lee: This is a controlled project and there has been no remonstrance filed.

Questions by the Board:

Bob: On page four of the hearing information sheet you have listed loose equipment. Please submit a list of that equipment with the associated costs to the DLGF.

Answer: We can get that easily and will fax it to Judy.

Recommendation

Richard Eckerle motioned to recommend approval to issue general obligation bonds the amount of \$5,370,000 for a term not to exceed nine (9) years. Jeff Arthur seconded and the motion carried 4-0.

Town of Zionsville, Boone County General Obligation Bonds

The unit is requesting approval to issue general obligation bonds in the amount of \$1,960,000 for a term of fifteen (15) years for the purpose of the repair and repavement of 8,700 lf of Willow Road and the completion of a separate eight foot wide bicycle path and will include a bridge structure across Eagle Creek. The estimated tax rate is .0257 based on an assessed value of \$812,030,088 and an annual levy of \$208,580. This is an uncontrolled project. The Common Construction Wage is applicable; the hearing was held March 22, 2005 and passed with a 5-0 vote.

Taxpayer Objections:

The date of publication for a public hearing was February 23rd, 2005. A public meeting was held and a resolution adopted on March 7th, 2005. The remonstrance period is not applicable since this is an uncontrolled project.

Attendance

The following people attended the hearing: Dick Crane (TCP), Andy Buroker (Town Attorney), Brian Colton (Financial Advisor), Lisa Lee (Bond Counsel with Ice Miller), Susan Reed (Bond Counsel with Ice Miller), and Lance Lantz (Street Superintendent).

Discussion

They are here seeking approval to finance an important road project. They need to enhance deficiencies in a major corridor and to improve pedestrian movement. This issue has become critical because of the growth in that area. The tax impact is negligible because the old debt will come off as the new debt comes on. The Town has grown five percent with an associated eight percent growth in net assessed value. This is a sound financial decision.

Questions by the Board:

James: Has there been any objections?

Answer: No, the only question has been “When are you going to get it done?”

Rich: You are going to construct a bridge also?

Answer: The estimated cost is \$400,000. We are contemplating re-using an old iron bridge and relocating it to this area.

Rich: You have a population of only 10,000?

Answer: It is probably 11,000 now.

Bob: Can you clarify the high architectural fees?

Answer: We are dealing with complicated issues. There are sewage problems, hilly terrain, finding drainage tiles and tying them into the existing system. This is more complicated than normal projects.

James: Have you had good public support?

Answer: Oh yes – they are wanting us to take out the dangerous parts and make the road more safe for travel.

Jeff: Are you going to use one engineering firm or multiple firms?

Answer: We use multiple firms. For this project, we are using the same firm that we used for the first part of the project. That will cut down of the fees because they already know what has been done.

Recommendation

Richard Eckerle motioned to recommend approval to issue general obligation bonds in the amount of \$1,960,000 for a term not to exceed fifteen (15) years. Bob Harris seconded and the motion carried 4-0.

Clay Township, Bartholomew County General Obligation Bonds

The unit is requesting approval to issue general obligation bonds in the amount of \$710,000 for a term of twenty (20) years for the purpose of constructing a new fire station and remodel an existing building. The anticipated tax rate is .0415 based on an assessed value of \$155,000,000 and an annual levy of \$64,250. This is an uncontrolled project. The Common Construction Wage is applicable and the hearing is scheduled for March 15, 2005.

Taxpayer Objections:

The date of publication for a public hearing was March 3rd, 2005. A public meeting was held and a resolution adopted on March 17th, 2005. The Notice of Determination was published February 27th and March 3rd, 2005. The Auditor Certified No Remonstrance on March 21st, 2005.

Attendance

The following people attended the hearing: David Johnson-Bey (Trustee), Doyle Morgan (Fire Chief), Tom Finke (Assistant Fire Chief), Charles Wells (Attorney), Lonnie Therber (Financial Advisor), and Lisa Lee (Bond Counsel with Ice Miller).

Discussion

Their fire department started in 1977 and it is getting old and needs to be remodeled. Instead of sinking money into an old building, they decided to build a new one. They made a deal with a local agency to purchase land for a dollar. They are going to take the money they have been giving to two other townships for fire protection coverage and apply it to building the new station. The new area is centrally located to provide service to all of the township and should not need to contract with other townships for coverage.

Questions by the Board:

James: How big is your department?

Answer: We have seventeen volunteer firefighters. There are others who have said they would join if we build the new station.

James: Do you provide ambulance service?

Answer: Yes, we have one unit.

James: How many bays will the new station have?

Answer: It will have three bays and we have two trucks.

Bob: Has there been any public comments?

Answer: Only one – they were concerned about their insurance rate if we moved the fire station.

Bob: What will happen to the existing building?

Answer: We are going to use it for storage purposes for our lawn mowers, snow removal equipment, etc. We are also going to keep one truck at that location.

James: Will you need to acquire more land?

Answer: We have 4.06 acres that we purchased for a dollar from the Solid Waste Management Board. That is enough land for our needs.

Bob: The trucks you have now, will they fit into the new bays?

Answer: Yes, we made sure of that. We wanted enough room for a Trustee's office also and to be able to hold fish fry's.

Recommendation

Richard Eckerle motioned to recommend approval to issue general obligation bonds in the amount of \$710,000 for a term not to exceed twenty (20) years. Bob Harris seconded and the motion carried 4-0.

Van Buren Township, Monroe County Emergency Fire Loan

The unit is requesting approval obtain an emergency loan in the amount of \$240,000 to pay for benefits and insurance premiums for the nine full time firefighters paid from the operating budget. The estimated tax rate is .0622 based on an assessed value of \$379,181,575 and an annual levy of \$235,920. This is an uncontrolled project. The Common Construction Wage is not applicable.

Per the following emergency loan calculation, the unit shows a need of:

January 1 st Cash Balance	\$105,888
Plus: 2005 Certified Tax Levy	\$200,587
Plus: 2005 Estimated Misc. Revenues	\$115,000
Total Funds Available	\$421,475
Less: Encumbered Appropriations	\$
Less: Estimated Expenses	\$660,000
Funds Remaining (Negative amount shows a shortfall)	\$(238,525)

Taxpayer Objections:

The date of publication for a public hearing was January 26th, 2005. A public hearing was held and a resolution adopted on February 7th, 2005. The Notice of Determination was published February 9th, 2005. The Auditor Certified No Remonstrance on March 14th, 2005.

Attendance

The following people attended the hearing: Roberts S. Johnson (Fire Chief), Tim Deckne (Deputy Chief), Gary Bruce (Trustee), Paula Dean (Clerk), and Patsy Greenberg (Administrative Assistant).

Discussion

They are here for the third time for a loan to finance their operating expenses. They had a shortfall in 2003 and are asking for additional funding.

Questions by the Board:

James: Is your department all-volunteer?

Answer: No, we have some full-time firefighters and some volunteers. With budget cuts and everything, we have had problems for a long time. The previous trustee was using short-term loans for a long-term problem. Gary Bruce, our current trustee, came in, met with the DLGF field representative and began working to increase our funding. The five percent increase the state allows us is not working.

The 2004 year was our busiest year ever. We run two stations and our coverage area includes an airport and the fairgrounds. We have the second busiest station in the County. We approved a \$1,000 raise last year, but \$650 of it was given back to the department to cover increased insurance premiums. We are not asking for an increase in staff, just enough to maintain current levels. We have just now become compliant with OSHA requirements for everyone to have yearly physicals and meet the safety standards. Line items are not increasing and have remained stable the last few years. The Chief and Deputy work shifts when necessary to maintain staffing levels in the field.

Rich: Do you staff around the clock?

Answer: Yes, we staff 24/7. The airport has 35-40,000 landings per year, which makes them the fifth busiest in the state. We answered fifty-six calls to the airport last year.

James: Do commercial flights land there also?

Answer: The main one is IU – mostly the sport teams and mostly at night. All of our COIT money goes into the firefighting fund.

James: Does the Town Council support your request?

Answer: Yes.

Bob: I have three comments. First, the five percent increase by the state, you are not suppose to be getting five percent. Second, since this is your third time to request emergency borrowing, are you planning on coming back for a levy increase?

Answer: Yes.

Bob: When are you planning on coming back?

Answer: This fall so the increase will be added to the 06 budget.

Bob: My third question is how much did the DLGF cut your budget for 05?

Answer: We asked for a budget of \$405,000 and were approved at \$320,000.

Bob: Was there any taxpayer objections?

Answer: Only one – he did not understand what we were doing. Once we explained what we were doing, he was fine with it.

Bob: Did you give raises in 2005?

Answer: Yes, we gave a \$1,000 raise, about three percent, but \$600 came back as insurance co-pay. Once all the taxes went up and the co-pay was deducted, I received an additional \$1 on my paycheck.

Rich: Do you receive any financial support from the airport?

Answer: They pay our utilities. Our contract with them is for a hundred years. The FFA provides the equipment. We have to guarantee one trained firefighter on call at all times for the airport and hope that volunteers show up.

Bob: If you get the levy increase, do you plan on coming back next year for another emergency borrowing request?

Answer: No, hopefully not. We are making headway. We are beginning to see the light at the end of the tunnel.

Recommendation

Richard Eckerle motioned to recommend approval of an emergency fire loan in the amount of \$240,000. James Riehle seconded and the motion carried 4-0.

Town of Middletown, Henry County Lease

The unit is requesting approval to enter into a lease with the Middletown Building Corporation in the amount of \$1,420,000 with maximum annual lease rental payments of \$117,000 for a term of twenty-five (25) years. The lease is for the purpose of funding the renovation and expansion of the Town Hall. The estimated tax rate is .1741 based on an assessed value of \$52,329,250 and an annual levy of \$91,080. This is an uncontrolled project. The Common Construction Wage is applicable; the hearing was held April 5th, 2005 and passed with a 4-0 vote.

Taxpayer Objections:

The date of publication for a public hearing was February 24th, 2005. A Public Hearing is to be held March 15th, 2005. A Resolution was adopted February 15th, 2005. The remonstrance period is not applicable since this is an uncontrolled project.

Attendance

The following people attended the hearing: Dave Copenhagen (Town Attorney), Dan Keesling (Chief of Police), Jake Smith (Town Counsel) Charlie Bullinger (Architect), Lisa Lee (Bond Counsel with Ice Miller), and Susan Reed (Bond Counsel with Ice Miller).

Discussion

They are here for our consideration of the renovation to their Town Hall and Emergency Services building. There have been concerns expressed over the lack of space for equipment, office space, and computers equipment; there is also health and safety concerns. They formed an ad hoc committee to come up with a solution. The first proposal was too high and they were asked to go back and re-do the design, while keeping the purpose of the buildings the same. The second proposal is what is under consideration right now. There have been some taxpayer objections; not against the project, but on the tax increase. The Council feels that this project has merit. The current building was constructed in 1988. (The unit distributed photographs) The building does not have enough space to fit all the equipment we have. There are some emergency vehicles that are parked in front of the dividers between the garage doors and they are stacked two deep. Vehicles have to be moved out of the bays to get to others. The firefighting clothing is hung on pegs that are a couple of feet away from the fire trucks. There is a big concern about trucks being moved while firefighters are trying to put their gear on right next to a moving truck. They are transitioning to a twenty-four hour paramedic service and they are required to provide sleeping quarters. They are using an open balcony – currently being used as their meeting room - above the bays right now to quarter the paramedics and all they can provide as beds is couches. There is no privacy for them to dress or sleep. They have to go downstairs and across the bay area to use the bathroom.

Questions by the Board:

James: Do you need to acquire any land?

Answer: We have already purchased the land we need. We secured an abandoned railroad sight.

Bob: The debt you have listed that is going to expire in 2006, what was that for?

Answer: That was to purchase equipment – computers and furniture.

Bob: The DLGF would like a detailed list of equipment and the associated cost for the loose equipment listed on the hearing information sheet.

Bob: Did any taxpayers object at any of your meetings?

Answer: There was some. About 150 people attended the meeting and of those, there were sixty to eighty people in opposition. Others that were there in favor did not speak up – they said they were intimidated. We did take a hand vote and there were more opposed than in favor of the project, but there was no remonstrance.

Rich: The construction cost of \$131/sq. ft, is that an accurate average to build a fire station?

Answer: There is an addition amount in there for other site work that needs to be done.

Rich: How many members on your Town Council and what was their vote?

Answer: We have a five-member council and they voted unanimously for the project.

Recommendation

Richard Eckerle motioned to recommend approval of a lease with maximum annual lease payments in the amount of \$117,000 for a term not to exceed twenty-five (25) years. James Riehle seconded and the motion carried 4-0.

Decatur Township, Marion County Emergency Fire Loan

The unit is requesting approval to obtain an emergency loan in the amount of \$2,100,000 to pay for additional firefighters/EMT's to cover increase in run load, commercial and residential growth. The estimated tax rate is .2037 based on an assessed value of \$1,031,453,850 and an annual levy of \$2,101,680. This is an uncontrolled project. The Common Construction Wage is not applicable.

Per the following emergency loan calculation, the unit shows a need of:

January 1 st Cash Balance	\$ 541,965
Plus: 2005 Certified Tax Levy	\$1,915,268
Plus: 2005 Estimated Misc. Revenues	\$ 220,570
Total Funds Available	\$2,677,803
Less: Encumbered Appropriations	\$ 36,386
Less: Estimated Expenses	\$4,596,927
Funds Remaining (Negative amount shows a shortfall)	\$(1,955,510)

Taxpayer Objections:

The date of publication for a public hearing was December 3rd, 2004. A public hearing was held December 14th, 2004. The Notice of Determination was published January 7th, 2005. The Auditor Certified No Remonstrance on March 2nd, 2005.

Attendance

The following people attended the hearing: Steve Rink (Trustee), Dale Henson (Fire Chief), and Stephen R. Buschmann (Attorney).

Discussion

They were here previously before this board to request the necessary funding to hire more firefighters. That approval was obtained and they begin the process of hiring thirty new firefighters. The last of those recruits began today.

As an update from the previous presentation, there is an additional 375 acres called “70 West” that will be included in the Ameriplex Complex. It is estimated that it will have three to four million visitors per year, which is comparable to the one-mile downtown area. It is a \$753 million project. It will mean an additional one thousand new construction jobs from the time they break ground till the complex opens at the end of 2008. The roads are already in and traffic is moving. This will not be a TIF area, nor will any abatements be granted. It is estimated that it will generate \$32 million annually in revenue. That revenue is what is going to make the loan payments. In later years, the Trustee hopes to use State Tax Increment Funds to finance the emergency borrowing loan. Our line items 2, 3, and 4 are actually down this year. The only increase has been to our personnel costs. (Refer to handout for more details; the unit also presented a letter of support from the Decatur Township Civic Counsel).

Questions by the Board:

Bob: What year did you receive a levy increase?

Answer: It was two years ago. We will not be eligible again until next year. We are planning to come in 2006 for another levy increase.

Bob: Are you planning on asking for another emergency borrowing loan for that year also?

Answer: Only for the difference between the lowest three-year amount and the current needs. The trustee spoke to the taxpayers – about sixty in attendance – and told them the tax impact would be around \$30/year and no one objected. We are less than 50% build-out in our township. We are growing by leaps and bounds and we need to keep up.

Bob: Did you give raises to your firefighters?

Answer: We gave them a three percent raise. Our firefighters are the lowest paid in Marion County. They lose \$18,000 over the average paid firefighter. We are a little different than other departments because we are on a five-year pay scale instead of a three-year, like most other departments.

Bob: You are requesting \$2,100,000 but you only show a negative balance of \$1,955,510 – that is the maximum amount that we can approve.

Recommendation

Bob Harris motioned to recommend approval of an emergency fire loan in the amount of \$1,955,510. Rich Eckerle seconded and the motion carried 4-0.

Colfax Public Library, Clinton County Lease

The unit is requesting approval to enter into a lease with the Colfax Public Library Leasing Corporation in the amount of \$990,000 with maximum annual lease rental payments in the amount of \$94,000 for a term of twenty (20) years to provide funding to construct an expansion to the current library facility and to install an elevator to make the building accessible to handicapped and elderly patrons. The estimated tax rate is .1173 based on an assessed value of

\$72,106,186 and an annual levy of \$84,600. This is an uncontrolled project. The Common Construction Wage is applicable and the hearing was held November 12th, 2004 and passed with a 5-0 vote.

Taxpayer Objections:

The Date of Publication for a public hearing was February 4th, 2005. A Public Hearing was held and a Resolution adopted February 22nd, 2005. A Notice of Determination was not published since this is an uncontrolled project.

Attendance

The following people attended the hearing: Jane Herndon (Bond Counsel with Ice Miller), Patsy Flowers (Secretary for the Library Board), Elaine Bower (Vice President Library Board), Kathy Raver (Financial Advisor with H.J. Umbaugh), Ted Johnson (Attorney), Dennis Hoffman (President Board of Trustees), Judy Hemmerling (Library Director), Harry Mohler (Architect), Constance J. Blacker (Perry Township Trustee Assessor), James F. Fisher (Tax Payer; Clinton Prairie School Board Member), Doyal Bell (Taxpayer), Alice Bell (Taxpayer), Ty W. Brown (Taxpayer), and William Waddell (Taxpayer).

Discussion

They received a bequest from a family in the amount of \$100,000. They invited the public to attend a meeting to discuss what improvements the library needed to address. They came up with two priorities. The first is to make the library handicapped accessible. The second is to improve the mechanical equipment. The current heating unit is remarkably inefficient and takes up a lot of space. The Library Board then came up with their own needs that they would like to see addressed. They need to improve the Children's Corner and improve the utilization of the basement area. The other major issue is that the library is not accessible by handicapped persons – they are not in compliance with ADA. A child has to be carried from the curb and up two sets of stairs in order to come into the building. Once inside, to get to the children's area, they must be carried down a staircase to the basement floor. According to the latest census, 19.2% of children between the ages of five and twenty are in some way handicapped.

In June 2004, the Library Board invited the public to attend a public meeting. At that time, only one person attended. They had another meeting in November 04 and more people showed up, this time with some objections. The Board went back with the goal of reducing the project and to look at alternative funding options. They have applied for grants to help them complete all the projects. The last meeting was held in February 2005 and at that time, the Library Board resolved to move forward with the project put before you today.

Questions by the Board:

James: How did the public respond?

Answer: We have some in support of the project and some that oppose it.

James: Is activity picking up at the library?

Answer: A little.

Bob: What were the objections?

Answer: I am putting words into people mouths, but the main objection was the increase to the tax rate.

Bob: Is the board member who opposed the project in attendance here today?

Answer: No, she is not. After the media had left, she confessed that she opposed because of appearances sake.

Bob: On page four of the hearing information sheet you have some loose equipment planned - does this equipment have a twenty-year life span?

Answer: We have actually taken that \$15,000 out of the cost of the project. We have purchased some used furniture and have received a grant to purchase more.

Bob: When was the last renovation to the building?

Answer: The only thing that has been done was to put storm windows in. There are tiles that are missing because of high winds and we are stealing clay tiles from the middle of the roof to patch leaks on the edge. The building was built in 1916 and has had no renovations.

Bob: Will you need to increase staffing?

Answer: No, we have been slowly increasing our staff and are now at the level we need.

Bob: Will your operating fund be sufficient to support the renovation increases?

Answer: With the increase in efficiency and the elimination of certain fees we now have, we should be ok.

Comments from the Public:

Connie Blacker (Trustee for Perry Township, Clinton County): I am speaking on behalf of the Perry Township Advisory Board in opposition to the project. The library rate is already out of proportion (see Exhibit 4 for tax rate comparison). Colfax is a declining community and has several lots listed for sale that are going through foreclosure and almost all of them are vacant already. This is the result of an already high tax rate and people are not able to pay the taxes. If the tax base is increased more, this will only get worse. (See Exhibit 5 for the complete letter).

Alice Bell: We have seen a fifteen percent increase in taxes with the district rate increasing 400%. Clinton Shoals has the highest tax rate. The library has not asked for any private funding to help them.

William Waddell: I am opposed to the project. I have talked to many of my neighbors and have found no one who is in support of the project.

Jim Fisher: The cost of the project is out of line. There has to be something done to bring down the cost of the project.

Doyle Bell: The overwhelming response at all the public meetings was in opposition.
Response from unit: There were several people at the meeting in support of the project but would not speak out because they felt intimidated.

Ty Brown: I bought the grain elevator in Colfax last year and I am the highest paying taxpayer in the area. I am in opposition to the project. The Church I attend put in a chair lift for handicapped accessibility for \$55,000. We are wondering why the library can't do the same.

William Waddell: The increase in the tax rate is unacceptable. We cannot afford such an increase.

Response: We have the second lowest tax rate in the County.

Question from Board Members:

Bob: Will the entrance into the library be ADA compliant if this project is completed?

Answer: Yes, as will the restroom.

Taxpayer: The utilization of the building does not warrant this kind of expense. If this building was anywhere else, it would have been demolished years ago.

Recommendation

James Riehle motioned to recommend approval of a lease in the amount of \$990,000 with maximum annual lease payments in the amount of \$94,000 for a term not to exceed twenty (20) years. Rich Eckerle seconded and the motion carried 3-1. Jeff Arthur opposed the motion.

City of Seymour, Jackson County Lease

The unit is requesting approval to enter into a lease in the amount of \$4,750,000 with maximum annual lease rental payments of \$460,000 for a term of seventeen (17) years for the purpose of constructing a new police station. The estimated tax rate is .0422 based on an assessed value of \$1,029,732,680 and an annual levy of \$435,000. This is a controlled project. The Common Construction Wage is applicable and the hearing was held March 21st, 2005.

Taxpayer Objections:

The Date of Publication for a public hearing was December 30th, 2004. A Public Hearing was held and a resolution/ordinance adopted on January 10th, 2005. The Notice of Determination was published January 13th, 2005. The Auditor certified No Remonstrance on February 15th, 2005.

Attendance

The following people attended the hearing: Bryan Collins (Bond Counsel), Dan Kramer (Financial Advisor), Jim Bulland (Seymour Mayor), Craig Hayes (Chief of Police), Jim Elliott (Assistant Chief of Police), and Cory Whitesell (Engineer).

Discussion

They are in need of a new law enforcement building. The current building was built in 1915 and was used as a Post Office until 1968. The building was given to the City at that time and was renovated. In 1968, the City had twenty-five police officers and was located in the back third of the building. In 1970, they realized they did not have the room they needed. So from 1970 to about 2002, the building became wholly the police headquarters. They now have fifty-two officers.

A major problem they have is in the basement. A serious mold problem was discovered and it is no longer usable. Two officers became seriously ill. The basement was primarily used for storage and for detectives. They spent over \$100,000 last year just to maintain the mold. The usable square footage they now have available is less than 5,000 sq. ft, and that is not large enough to accommodate their needs. Another problem is parking. They are land locked with no room to expand. It is an historical building and they are limited to what they can do to it – the cost to renovate it would be exorbitant. The Police Force has changed over the last 25-30 years and has become very technological and very specialized. The new design will meet their needs for the next twenty-five years. The architecture will blend in with the downtown area and actually be a compliment to it.

There has been no organized remonstrance. There have been many questions on the financing, but that is good – it shows the public is interested.

Questions by the Board:

Bob: Do you currently already own the land?

Answer: We are in the process of closing the deal. A purchase agreement has been signed. The agreement allows the owners another month or so to actually vacate the premises.

Bob: Two of the Board Members opposed the project - do you know why?

Answer: They thought it is too expensive. Historically, they always vote against anything that raises taxes. They are not opposed to the need.

Bob: What was the vote on the Common Construction Wage?

Answer: It was a unanimous 5-0 vote.

Recommendation

Bob Harris motioned to recommend approval of a lease with maximum annual lease payments in the amount of \$460,000 for a term not to exceed seventeen (17) years. Rich Eckerle seconded and the motion carried 4-0.

Greene County Unit, Greene County Lease

The unit is requesting approval to amend a lease with the Greene County Building Corporation for an additional amount of \$2,500,000 with annual lease rental payments of \$249,900 for a term of seventeen (17) years for the purpose funding additional work relating to the acquisition, construction, and equipping of the renovation of the Courthouse for which bonds were originally issued by the Building Corp. in 2002; additional funding is needed because of construction delays brought on from faulty construction. The unit expects to repay the debt with County Option Income Tax revenues. The estimated tax rate, should COIT revenue become insufficient, is .0257 based on an assessed value of \$865,056,050 and an annual levy of \$222,411. This is an uncontrolled project. The Common Construction Wage is applicable and the hearing is scheduled for March 18th, 2005.

Taxpayer Objections:

A resolution was adopted February 21st, 2005. A Notice of Determination was not published since this is an uncontrolled project.

Attendance

The following people attended the hearing: Jim Higgins (Financial Advisor), Rich Starkey (Barnes & Thornburg), Marilyn Hankman (County Attorney), and Ken Gremore (County Council Member).

Discussion

In 2002 they designed and began the construction of an addition to the Courthouse. In January 2003 they noticed masonry cracking, which eventually led to a job halt. The attempts to repair the masonry were not successful. In December 2004 the County filed a lawsuit against the architectural firm and construction company. The problems have resulted in increased funding needs because of additional design fees, attorney fees, etc. If they receive some resolution from the litigation, they we will not need to borrow as much. The County needs to certify to the new contractor that they have the funding. At this time, they cannot do this. What they plan to do is issue a bond anticipation note. This gives the County the certification needed to move forward with the project. This note will allow them to draw in as much as they need. This also allows them some flexibility with financing.

Questions by the Board:

James: How long before you receive a decision from the litigation?

Answer: We are hoping between eighteen and twenty-four months.

Bob: Are you using your COIT revenue?

Answer: Yes.

Bob: Can you send us a projection of your COIT revenue?

Answer: Yes, that is no problem.

Bob: Is everyone committed to using COIT?

Answer: Yes, there is one bond payment left from the jail project, but that will be paid off in June of 05.

Bob: Were you using COIT revenue to make the payments to the original contractor?

Answer: Yes.

Bob: Can you explain the high architectural fees?

Answer: This is what we were stuck with. We have had to hire a second company to come in and look at what has already been done. They will have to do some re-work and re-designing. There is a possibility that they will need to testify for us in the litigation hearings.

Recommendation

Richard Eckerle motioned to recommend approval of a lease with maximum annual lease payments in the amount of \$249,900 for a term not to exceed seventeen (17) years. Bob Harris seconded and the motion carried 4-0.

Knox County Unit, Knox County Lease

The unit is requesting approval to enter into a lease with the Knox County Holding Corporation in the amount of \$12,100,000 with annual lease rental payments of \$1,060,000 for a term of twenty (20) years for the purpose of building a new jail facility. Knox County is subject to federal litigation regarding its current overcrowded jail facility. The unit expects to repay the debt with County Economic Development Income Tax (CEDIT) revenues. The estimated tax rate, should CEDIT revenue become insufficient, is .0616 based on an assessed value of \$1,463,038,771 and an annual levy of \$901,000. This is an uncontrolled project. The Common Construction Wage is applicable and the hearing was held March 3rd, 2005 and passed with a 3-0 vote.

Taxpayer Objections:

Public meetings were held in January 2002; meetings held every two weeks through October 30th, 2002 by the Knox County Jail Advisory Committee; The Knox County Board of Commissioners held a public meeting on February 25th, 2003. Since that time the Knox County Jail Project Review Committee has met numerous times during 2003 & 2004.

Resolutions/Ordinances were adopted February 23rd 2004, May 3rd 2004, May 25th 2004 and January 27th, 2005. A Notice of Determination was not published since this is an uncontrolled project.

Attendance

The following people attended the hearing: Rick Hall (Bond Counsel with Barnes & Thornburg), Bruce A. Smith (County Attorney), Steve Meno (Fifth Third Finance), William Shepler (PMSKNC), Scott Moore (RQAW Corporation), and Jerry Brocksmith (County Commissioner).

Discussion

They are under a federal order issued in May 2002. (Refer to handout). Their jail is understaffed and over-crowded. In that same year they created a committee to study the jail problem. In November 2002, the Committee made their recommendation, which was to build a new pod-style jail. A group was then formed and commissioned to choose a suitable site. They purchased the site that was found and recommended by the group. There were no objections. In early 2004, we went forward with public meetings and the designs for a 225-bed pod-style jail. We are committed to using a special .25 EDIT passed by the Board specifically for this project only. That resolution was passed in July 2004.

Questions by the Board:

Bob: Is this new jail federally mandated?

Answer: Not the building. The only litigation we are under is a cap of 85 inmates. A part of the agreement is still soft with the understanding that we diligently seek other options.

Bob: What will happen to the current building?

Answer: We are talking about expanding the work release program and using the current facility for that purpose.

Rich: The \$254/sq. ft. construction costs seems expensive. Can you explain the costs?

Answer: That includes the equipping of the facility, which includes a parking lot, etc.

Recommendation

Richard Eckerle motioned to recommend approval of a lease with maximum annual lease payments in the amount of \$1,060,000 for a term not to exceed twenty (20) years. Bob Harris seconded and the motion carried 4-0.

City of Portage, Porter County General Obligation Bonds

The unit is requesting approval to issue Economic Development Income Tax (EDIT) bonds in the amount of \$6,900,000 for a term of sixteen (16) years for the purpose of land acquisition and the construction of certain road, storm water and sewer infrastructure improvements. The

anticipated tax rate is .0468 based on an assessed value of \$1,433,252,306 and an annual levy of \$670,550. This is an uncontrolled project. The Common Construction Wage is applicable and the hearing was held March 1st, 2005 and passed with a 5-0 vote.

Taxpayer Objections:

The date of publication for a public hearing was February 19th, 2005. A public meeting was held March 1st, 2005. A Resolution was adopted February 2nd, 2005. The Notice of Determination was published February 7th and 14th, 2005. A Notice of Determination was not published since this is an uncontrolled project.

Attendance

The following people attended the hearing: Lisa Lee (Bond Counsel with Ice Miller), and Susan Reed (Bond Counsel with Ice Miller), Craig Hensen (Engineer), Ed Gottschling (President of the City Council), Gregg Subkowski (City Attorney), and Karl Cender (Financial Advisor with Cender & Company).

Discussion

They need to build up their infrastructure to encourage development. They have two projects, both continuations of projects already started. The first project is the redevelopment of downtown and the purchase right-of-ways. This is actually phase two, and probably the last phase. The second project is the Willow Creek Rd phase four, and final phase, of that project. With this bond issue, we can complete both projects.

Questions by the Board:

James: Did the Council approve your plans?

Answer: Yes, and so did the taxpayers. No new taxes will be used. There have been no objections.

Bob: Is everyone committed to using CEDIT revenue?

Answer: Yes.

Recommendation

Richard Eckerle motioned to recommend approval of a lease in the amount of \$6,900,000 with maximum annual lease payments in the amount of \$735,550 for a term not to exceed sixteen (16) years. Jeff Arthur seconded and the motion carried 4-0.
